

## A YEAR IN REVIEW: FISCAL YEAR 2004 -- July 1, 2003 - June 30, 2004

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### ANOTHER AWARD-WINNING YEAR

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NECCC VITA Award from the National Electronic Commerce Coordinating Council as the Tax and Revenue Winner (2003)

NECCC VITA Award Overall Winner from the National Electronic Commerce Coordinating Council for Electronic Express Filing a proven return on investment in E-Government (2003)

"Excellence in Taxpayer Service and Administration Award" from the Indiana State Bar Association (2003)

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### INDIANA TRUCKERS GET FIRST "BRANDED" LICENSE PLATES

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Interstate fleet operators in Indiana were the first in the nation to be offered "branded" license plates with their company logos for their tractors and trailers. These specialty plates, offered through the Department's Motor Carrier Services Division, are expected to measurably deter the theft of semi-truck plates, which average \$1,800 each. In 2003, approximately 4,800 Indiana truck license plates were stolen. In addition to saving trucking companies tens-of-thousands of dollars in plate costs, the new plates will also save money in reduced down times when plates have to be replaced stolen -- affected trucks are often out of service for weeks. With the Department's new program, the State will be able to replace stolen truck plates within 72 hours. UPS was the first operator to embrace the State's program and is licensing the majority of its interstate vehicles in Indiana. Be sure to look for the new plates on UPS, Penske, Atlas, Ryder and North American semis as you cruise Indiana's highways.

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### NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS NEWS

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Many electronic advances to help make state taxpaying easier, quicker, more accurate and more secure were rolled out by the Department in Fiscal Year 2004 (FY04). Also in FY04, a few new tax laws were passed by the Indiana General Assembly. Following are some of the year's highlights.

Many of the more popular tax forms and instructional booklets used by both individuals and corporations were translated into Spanish and posted to the Department's web site ([www.IN.gov/dor](http://www.IN.gov/dor)).

#### **October 2003 - Online IRP Services Rolled Out by Motor Carrier Services Division**

An exciting new Internet program allowed International Registration Plan (IRP) registrants to process vehicle renewals and transactions, obtain temporary permits, make transaction payments and print out valid cab cards and permits immediately -- just by going online. Online services are available 24 hours a day, seven days a week and reduce much of the IRP manual processing and mailing by Department personnel.

#### **October 2003 - Conducting Business in Indiana Got Easier**

The Department rolled out its new online BT-1 Business Tax Application in October 2003. Now new business owners can file online and will receive notice of the status of their applications from the Department within 48 hours. One BT-1 is needed to initiate Sales Tax, Withholding Tax, County Innkeepers Tax, Food and Beverage Tax, Motor Vehicle Rental Excise Tax, out-of-state Use Tax, Prepaid Gasoline Sales Tax and Private Employment Agency taxes. Also, due to the increasing number of Hispanic Hoosiers, a Spanish version of the BT-1 can be downloaded from the Department's Web site at [www.in.gov/dor](http://www.in.gov/dor).

#### **December 2003 - 2003 State Property Tax Deduction Delayed until 2004 for Some Homeowners**

Due to the restructuring of property taxes in Indiana, many counties did not mail their 2003 property tax statements to homeowners until 2004. Those homeowners affected had to wait until their 2004 tax returns filed in 2005 to claim their Homeowners Residential Property Tax Deduction for 2003. The maximum deduction per year is

\$2,500, and a maximum of \$5,000 will be allowed on the 2004 return if both years' property taxes were paid in 2004.

#### **January 2004 - Taxpayers Can Now Check the Status of Their State Tax Refunds Online**

For the first time, yet another cutting edge electronic advancement allowed Indiana taxpayers to check the status of their state individual income tax refunds online. The service is free and secure. They can find out if their refunds have been processed, if a check has been mailed or deposited to their banking account, or if there is some kind of problem with their state tax return.

**March 2004 - Taxpayers Can Now File Online for Extension of Time to Complete Their Tax Returns (IT-9).** Indiana taxpayers who require extra time to complete their income taxes may now pay estimated taxes online through the IN-ePay service and request additional time to complete tax forms.

#### **April 2004 - Changes in State Sales Tax Laws Affect all Indiana Taxpayers**

Notices were mailed out to over 164,000 Hoosier businesses updating them on new sales tax legislation. Ten different areas of state sales taxation were affected, including delivery charges, installation charges, complimentary rooms, utility services, and telecommunication services. Also affected were satellite TV/radio services, vehicles, bad debts, retail merchant registration and the Department's responsibility regarding industry classification codes.

#### **April 2004 - New Laws, Regulations and Forms were Topics of Charity Gaming Seminars**

Legislative changes, new forms, new rules and new regulations were all on the agenda for the Department's 2004 charity gaming training seminars, three of which occurred in Indianapolis, Plymouth and Clarksville before the end of the fiscal year. Officials from the Department, which administers charity gaming events in Indiana, covered issues that affect all nonprofit organizations, and specific information regarding charity gaming activities. Another three seminars are scheduled in Lafayette, Jasper and Muncie in Fall 2004.

#### **April 2004 - State Joins with County Clerks and Sheriffs to Serve Electronic Tax Warrants**

A joint effort of the Department with 23 county clerks, 14 sheriffs' departments and two collection agencies statewide saved Hoosier taxpayers over \$357,000 as of June 30, 2004. The project shares electronic information on the tax warrants of delinquent taxpayers – information that previously had to be communicated on paper via the U.S. Postal Service. Since the project's start-up and by June 30, 2004, some 579,000 tax warrant records were successfully transmitted electronically.

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## **TAXFAX**

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During Fiscal Year 2004, The TaxFax system handled orders for 5,997 callers needing forms and/or instruction booklets. This is in addition to e-mail and phone requests the Department receives. TaxFax orders continue to diminish as more taxpayers utilize the Department's web site, [www.IN.gov/dor](http://www.IN.gov/dor) for downloading and printing forms. Fiscal Year 2004 figures were 24% down from the 7,900 orders handled in Fiscal Year 2003.

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## **PERSONNEL**

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### **Payroll and Benefits**

The 2004 Open Enrollment was the second year working with State Personnel's Peoplesoft System. The Personnel Division assisted nearly all DOR employees in making their insurance selections. Due to the many changes in benefits, nearly every employee had to access their information on the system.

### **Labor Relations**

Meetings were held on a regular basis with representatives from AFSCME and UNITY regarding employee relations.

**Special Projects**

The State Employee Community Campaign - Department of Revenue employees generously contributed \$53,928.70 and received a Silver Per Capita Award and a Percent Increase Award raising 22.2% over last year's total of \$44,136.17. The Department had 50 Champion Level Givers.

Bring Your Youth to Work Job Shadowing - Children ranging in age from 9 to 15 participated in the program. Each Division was responsible for arranging Job Shadowing events and some divisions arranged field trips to the State House and Fire Station for the 79 participating children. Certificates were awarded at the end of the day to each participant.

Community Service Leave Program - Employees of the Department participated in the program which promotes employees to become involved in their community through volunteer efforts.

State Blood Drive - The Department, in conjunction with the Indiana Blood Center, annually sponsors four blood drives per year for state employees. This year, 556 State employees donated blood, some as many as four times per year, as compared with 343 State employees last year.